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The Friends of CON Strongly Urges the Governor and Legislators to Support Certificate of Need and the Actions of the CON Commission.

HOW CERTIFICATE OF NEED HELPS MICHIGAN

1. CON HELPS CONSTRAIN HEALTH COSTS

- CON helps Michigan avoid unnecessary duplication and fosters cost-effective practice for various services. Most health cost studies indicate that unneeded facilities, equipment, and services are major causes of health cost escalation.
- Lower per capita health costs in CON states vs. non-CON states: For groups of similar populations and benefit plans, per-capita health costs for particular CON-covered services are lower in states with CON -- and higher in states without CON.
- CON repeal in other states led to quick proliferation of duplicative and expensive medical facilities, equipment and services. Result: quicker escalation of costs, but little gain in quality

2. CON PROMOTES HIGHER QUALITY

- Proliferation of certain advanced medical services, at lower average volumes, causes dilution of proficiency of physicians and other involved health professionals.
- Better outcomes: Most research shows correlation of quality with higher volume.
- 21% Higher Mortality Rates for Major Heart Surgery in non-CON states vs. CON states (U of Iowa Medical School Study of all Medicare coronary artery bypass graft surgeries each year, 1994 to 1999.
- Commission updates CON standards (sometimes more often that the statutory minimum of at least once every three years) to reflect advances in medical practices.

3. CON PROMOTES NEEDED PATIENT ACCESS TO KEY SERVICES

- CON assures availability of certain advanced <u>medical services</u> by lower minimum volume requirements in rural and less populated regions when that does not harm quality of care.
- No effective CON programs in other states led to rural/central city areas no longer having adequate
 <u>hospitals</u> for general, emergency and indigent care. States without CON experience proliferation of
 surgery and imaging centers, particularly in high-income areas. These centers don't provide same extent of
 emergency and indigent services. Hospitals left with complex and/or indigent cases, which threatens their
 continued existence, especially if they many low income patients.

FRIENDS OF CERTIFICATE OF NEED

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ASSOCIATIONS, CONSUMERS AND PAYERS

Alliance for Health
Blue Cross Blue Shield of Michigan
Detroit Regional Chamber
Economic Alliance for Michigan
Grand Rapids Area Chamber of Commerce
Michigan League for Human Services
Michigan Manufacturers Association
Small Business Association of Michigan
Value Health Partners

BUSINESSES

Chrysler Group, LLC
Delphi Corporation
Ford Motor Company
General Motors Company
ITH Staffing Solutions
Kushner & Company
Lacks Enterprises
Lear Corporation
Meijer, Inc.

LABOR ORGANIZATIONS

International Union, UAW
Michigan State AFL-CIO
Michigan Education Association
United Steelworkers, District 2
SEIU Michigan State Council
Teamsters Joint Council 43
Utility Workers, Local 223

HOSPITALS AND HEALTH SYSTEMS

Borgess Health, Kalamazoo
Botsford General Hospital, Farmington Hills
Beaumont Hospital, Grosse Pointe
Beaumont Hospital, Royal Oak
Beaumont Hospital, Troy
Bronson Battle Creek, Battle Creek
Bronson Hospital, Kalamazoo
Bronson Hospital, Vicksburg
Covenant Medical Center, Saginaw
Crittenton Hospital, Rochester
Detroit Medical Center

- · Children's Hospital of Michigan
- Detroit Receiving Hospital
- Harper University Hospital

- Huron Valley Sinai Hospital, Commerce Township
- Hutzel Women's Hospital
- Kresge Eye Institute
- Michigan Orthopedic Specialty Hospital, Madison Hts.
- Rehabilitation Institute of Michigan
- Sinai-Grace Hospital

Genesys Health System, Grand Blanc Marquette General Health System MidMichigan Health, Midland MidMichigan Medical Center, Midland MidMichigan Medical Center, Clare MidMichigan Medical Center, Gladwin Munson Healthcare, Traverse City Munson Medical Center, Traverse City Oaklawn Hospital, Marshall Oakwood Healthcare, Inc., Dearborn

- Oakwood Annapolis Hospital, Wayne
- Oakwood Hospital, Medical Center, Dearborn
- Oakwood Heritage Hospital, Taylor
- Oakwood Southshore Medical Center, Trenton

Spectrum Health System, Grand Rapids

- Butterworth Hospital
- Blodgett Hospital
- Helen DeVos Children's Hospital
- Gerber Memorial Hospital, Fremont
- Kelsey Memorial Hospital, Lakeview
- Reed City Hospital, Reed City
- Spectrum Health Continuing Care
- United Memorial Hospital, Greenville
- Zeeland Community Hospital, Zeeland

Trinity Health-Michigan, Novi

- Mercy General Health Partners, Muskegon
- Mercy Hospital, Cadillac
- Mercy Hospital, Grayling
- Mercy Hospital, Port Huron
- St. Mary's Health Care, Grand Rapids
- St. Joseph Mercy Livingston Hospital, Howell
- St. Joseph Mercy Oakland, Pontiac
- St. Joseph Mercy of Macomb, Clinton Township
- St. Joseph Mercy Saline Hospital, Saline
- St. Joseph Mercy Hospital, Ann Arbor
- Saint Mary's Mercy Hospital, Livonia

University of Michigan Health System